

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Re: D.I. 1556, 1923, 2003, 2011,
2015, 2016, 2017**

**CERTIFICATION OF COUNSEL REGARDING ASSUMPTION AND ASSIGNMENT
OF NONRESIDENTIAL REAL PROPERTY LEASES**

I, Marla S. Benedek, counsel to Variety Stores, LLC (“Variety”), certify as follows:

1. On January 2, 2025 the Court entered the *Order (I) Approving the Asset Purchase Agreement, (II) Authorizing and Approving the Sale of Certain of the Debtors’ Assets Free and Clear of All Claims, Liens, Rights, Interests, Encumbrances, and other Assumed Liabilities and Permitted Encumbrances, (III) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [D.I. 1556] (the “Sale Order”).²

2. On February 3, 2025, pursuant to paragraph 43 of the Sale Order, the Debtors filed their *Notice of Fifth Post-Closing Designation Notice* with the Court [D.I. 1923] (the “Fifth Designation Notice”).

¹ The Debtors in these cases, together with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

² Capitalized terms not otherwise defined in this Certification shall have the meanings provided in the Sale Order.

3. Among other things, the Fifth Designation Notice attached a list of 200 of the Debtors' unexpired leases of nonresidential real property that had been designated for assumption by the Debtors and assignment to Variety (the "Designated Leases"), and identified the landlord associated with each Designated Lease (together, the "Landlords").

4. The Debtors served the Designation Notices on the Landlords as described in their claims agent's Affidavit of Service [D.I. 2032]. Variety separately served its information regarding adequate assurance of future performance pursuant to section 365(f)(2)(B) of the Bankruptcy Code on the Landlords as described in Variety's Affidavit of Service [D.I. 2049].

5. The Designation Notice attached as Exhibit C thereto a form *Order Pursuant to Sections 363 and 365 of the Bankruptcy Code Authorizing the Debtors-In-Possession to Assume, Assign and Sell Certain Non-Residential Real Property Leases* (the "Proposed Order"). Among other things, the Proposed Order provides for the assumption of the Designated Leases by the Debtors, the assignment of the Designated Leases to Variety, and the fixing of the Cure Costs for the Designated Leases at the amounts set forth on the schedule attached as Exhibit A to the Proposed Order.

6. Among the Designated Leases were the Debtors' unexpired leases of nonresidential real property located at:

- (i) 1728 East Dixon Boulevard, Shelby, NC (Big Lots Store No. 5432) (the "Shelby Lease");
- (ii) 110 South 7th Street, Marietta, OH (Big Lots Store No. 5380) (the "Marietta Lease");
- (iii) 843 West Bloomingdale Avenue, Brandon, FL (Big Lots Store No. 560) (the "Brandon Lease");

- (iv) 1700 East Main Street, Lancaster, OH (Big Lots Store No. 5448) (the “Lancaster Lease”); and
- (v) 3961 Hoover Road, Grove City, OH (Big Lots Store No. 451) (the “Grove City Lease” and, together with the Shelby Lease, Marietta Lease, Brandon Lease, and Lancaster Lease, the “Certain Leases”).

7. The landlords under the Certain Leases (together, the Certain Landlords), respectively, filed objections³ to the Fifth Designation Notice, expressing certain objections regarding the Debtors’ proposed assumption of such leases and assignment thereof to Variety.

8. The Certain Landlords, the Debtors, Variety, and/or Gordon Brothers Retail Partners, LLC (“Gordon Brothers” and, together with the Certain Landlords, Variety, and the Debtors, the “Parties”), through their respective counsel, have engaged in discussions regarding potential resolution of the Objection. Following arm’s-length negotiations, the Parties have agreed to resolve the Objections by, among other things, revising certain provisions in the Proposed Order. A revised form of order incorporating the Parties’ agreed-upon revisions (the “Revised Proposed Order”) is attached to this Certification as Exhibit “A.” For the Court’s reference, a comparison of the Revised Proposed Order to the original Proposed Order is attached to this Certification as Exhibit “B.”

9. Counsel for each of the Parties has reviewed the Revised Proposed Order, and each Party, though its counsel, agrees to the entry of the Revised Proposed Order. Counsel note also that the Revised Proposed Order reflects revisions to paragraph 7 in accordance with the Court’s

³ The objections include: (i) the *Limited Objection by BVB-NC, LLC to Debtor’s Notice of Potential Assumption and Assignment of Executory Contracts or Unexpired Leases and Cure Amount* [D.I. 2003]; (ii) *The Marietta, Ohio Landlord’s Objection to Fifth Post-Closing Designation Notice and Reservation of Rights* [D.I. 2011]; (iii) *The Brandon, Florida Landlord’s Objection to Fifth Post-Closing Designation Notice and Reservation of Rights* [D.I. 2015]; (iv) *The Lancaster, Ohio Landlord’s Objection to Fifth Post-Closing Designation Notice and Reservation of Rights* [D.I. 2016]; and (v) *The Grove City, Ohio Landlord’s Objection to Fifth Post-Closing Designation Notice and Reservation of Rights* [D.I. 2017].

comments at the status conference on March 12, 2025, regarding FF&E and any property owned by the Landlords.

10. Accordingly, the Parties respectfully request that the Court enter the Revised Proposed Order at its earliest convenience.

COZEN O'CONNOR

Dated: April 9, 2025

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